



DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

CERE-AM (405-10f)

4 February 1998

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Real Estate Policy Guidance Letter No. 14: OCONUS Inleasing, Pursuant to
10 USC 2675

1. References:

- a. Title 10, United States Code, Section 2675, "Leases: foreign countries."
- b. AR 405-10, Acquisition of Real Property and Interests Therein, paragraph 3-3e.
- c. CERE-AM memorandum, 13 October 1987, Subject: Real Estate Leasing Authority, USAREUR.
- d. Public Law 101-510, 5 November 1990.

2. Due to changes in authority and rules for overseas leasing brought about by references 1a - d, there is some confusion about the actual thresholds and necessary approvals. Therefore, this Policy Guidance Letter is issued for the purpose of restating the existing overseas leasing policy for facilities other than military family housing. Military family housing leasing is governed by 10 USC 2828, AR 210-50 and AR 405-10, paragraph 3-4.

3. The current policy for overseas leases, other than family housing, is as follows:

- a. All leases which exceed five years firm term, regardless of the rental cost, require advance approval by the Army Secretariat.
- b. All leases in USAREUR and Panama with an annual rent of more than \$250,000, regardless of the term of the lease, require advance approval of the Army Secretariat.
- c. All leases in overseas locations, other than USAREUR or Panama, with an annual rent of more than \$50,000, regardless of the term of the lease, require advance approval of the Army Secretariat.

4. The facts of those leases requiring Secretariat approval should be sent to CERE-AM, along with an Economic Analysis, for submission to the Office of the Assistant Secretary of the Army (Installations, Logistics and Environment) (OASA(I,L&E)) not less than six months prior to the required occupancy date.


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5. It is hoped that this Policy Guidance Letter will alleviate any confusion regarding current approval requirements, while the thresholds are being reevaluated.
6. This letter has been coordinated with the Office of the Deputy Assistant Secretary of the Army (Installations and Housing), OASA(IL&E).
7. Any questions should be directed to Sue Fugitt, CERE-AM, (202) 761-1699.

FOR THE COMMANDER:


B. J. FRANKEL
Director of Real Estate

DISTRIBUTION:

COMMANDER,

HQ, USAREUR AND SEVENTH ARMY, ATTN: AEAEN-RE-AD

HQ, EUSA, Unit #15237, ATTN: FKEN-RE/S

19th TAACOM, Unit 15015, ATTN: EANC-EN

SOUTH ATLANTIC DIVISION, ATTN: CESAD-ET-R

MOBILE DISTRICT, ATTN: CESAM-RE

SAVANNAH DISTRICT, ATTN: CESAS-RE

JACKSONVILLE DISTRICT, ATTN: CESAJ-RE